

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
W.R. GRACE & CO., et al., <sup>1</sup>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
	)	
	)	Objection Date: October 27, 2003 at 4:00 p.m.
Debtors.	)	
	)	

**QUARTERLY APPLICATION OF  
BANKRUPTCY MANAGEMENT CORPORATION  
FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS CLAIMS RECONCILIATION  
AND SOLICITATION CONSULTANT TO THE DEBTORS FOR THE  
NINTH QUARTERLY INTERIM PERIOD (APRIL 1, 2003 THROUGH JUNE 30, 2003)**

<b>Name of Applicant:</b>	Bankruptcy Management Corporation ("BMC")
<b>Authorized to Provide Professional Services to:</b>	The above-captioned debtors and debtors in possession.
<b>Date of Retention:</b>	Retention Order entered May 8, 2002; effective as of April 4, 2002
<b>Period for which Compensation and Reimbursement is Sought:</b>	April 1, 2003 through June 30, 2003
<b>Amount of Compensation Sought as Actual, Reasonable and Necessary:</b>	\$354,035.00
<b>Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:</b>	\$ 15,056.39 (Expense Reimbursement) \$ 423.71 (Production Expenses)

<sup>1</sup> The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food =N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a: ☐ Monthly Application ☒ Quarterly Application ☐ Final Application

The total time expended for preparation of this fee application is approximately 23.0 hours and the corresponding compensation requested is approximately \$4,830.00.<sup>2</sup>

This Quarterly Application filed by BMC is for the 9<sup>th</sup> Quarterly Interim Period.

#### PRIOR APPLICATIONS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
3/4/2003	4/4/2002-4/30/2002	\$18,913.50	\$1,420.00	\$15,130.80	\$1,420.00
3/4/2003	5/1/2002-5/31/2002	\$46,559.00	\$2,781.83	\$37,247.20	\$2,781.83
3/4/2003	6/1/2002-6/30/2002	\$42,162.00	\$3,538.24	\$33,729.60	\$3,538.24
3/4/2003	5th Quarterly 2002	\$107,634.50	\$7,740.07	\$86,107.60	\$7,740.07
3/4/2003	7/1/2002-7/31/2002	\$48,181.75	\$10,701.48	\$38,545.40	\$10,701.48
3/4/2003	8/1/2002-8/31/2002	\$48,729.50	\$1,891.32	\$38,983.60	\$1,891.32
3/4/2003	9/1/2002-9/30/2002	\$55,850.00	\$2,743.43	\$44,680.00	\$2,743.43
3/4/2003	6th Quarterly 2002	\$152,761.25	\$15,336.23	\$122,209.00	\$15,336.23
3/4/2003	10/1/2002-10/31/2002	\$95,621.50	\$3,384.85	\$76,497.20	\$3,384.85
3/4/2003	11/1/2002-11/30/2002	\$49,215.25	\$2,658.68	\$39,372.20	\$2,658.68
3/4/2003	12/1/2002-12/31/2002	\$46,683.00	\$850.00	\$37,346.40	\$850.00
3/4/2003	7 <sup>th</sup> Quarterly 2002	\$191,519.75	\$6,893.53	\$153,215.80	\$6,893.53
5/15/03	1/1/2003-1/31/2003	\$74,318.00	\$1,229.90	\$59,454.40	\$1,229.90
5/15/03	2/1/2003-2/28/2003	\$82,610.00	\$4,837.69	\$66,088.00	\$4,837.69
5/15/03	3/1/2003-3/31/2003	\$72,572.25	\$3,860.72	\$58,057.80	\$3,860.72
5/15/03	8 <sup>th</sup> Quarterly 2003	\$229,500.25	\$9,928.31	\$183,600.20	\$9,928.31
9/22/03	4/1/2003-4/30/2003	\$117,598.00	\$2,132.50	Pending	Pending
9/22/03	5/1/2003-5/31/2003	\$140,988.00	\$5,112.93	Pending	Pending
9/22/03	6/1/2003-6/30/2003	\$95,449.00	\$8,234.67	Pending	Pending
9/22/03	9 <sup>th</sup> Quarterly 2003	\$354,035.00	\$15,80.10	Pending	Pending

#### BIOGRAPHICAL INFORMATION

Name of Professional Person	Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise	Hourly Billing Rate (Including Changes)	Total Hours Billed	Total Compensation
Sean A. Allen	President and co-founder of BMC, 5 years; 7 years prior bankruptcy experience	\$275.00	0.2	\$55.00
Tinamarie A. Feil	Vice President and co-founder of BMC, 5 years; 22 years experience in bankruptcy and other legal practice areas	\$275.00	1.1	\$302.50
Julia Hasenzahl	Principal, 3 years; former Assistant Director and National Manager-Shared Services Functions, Ernst & Young LLP	\$275.00	40.7	\$11,192.50

<sup>2</sup> The actual number of hours expended in preparing this fee application and the corresponding compensation requested will be set forth in BMC's subsequent fee applications.

Trevor L. Allen	Technology Manager, 4 years; 15 years technology, systems support and management	\$175.00	19.1	\$3,342.50
Martha Araki	Senior Bankruptcy Consultant, 4 years; 17 years bankruptcy experience	\$210.00	85.5	\$17,955.00
Roy Baez	Case Support Clerk, 4 years	\$65.00	0.7	\$45.50
Lauri Bogue	Reconciliation Consultant, 1 year; 4 years prior bankruptcy experience	\$110.00	307.4	\$33,814.00
Mike Booth	Claims Reconciliation Manager, 11 months; 4 years bankruptcy experience	\$165.00	6.9	\$1,138.50
Brendan Bosack	Senior Data Consultant, 3 years; former application project manager for a claims agent; 7 years prior experience in bankruptcy data, application development and reporting	\$175.00	1.7	\$297.50
Susan Burnett	Consultant, 2 months; 3 years prior experience as an attorney, 20 years prior accounting and finance experience	\$150.00	251.0	\$37,650.00
Susan Burnett	Travel Time	\$75.00	102.5	\$7,687.50
Steffanie Cohen	Reconciliation Consultant, 6 months; 2 years prior bankruptcy experience	\$110.00	214.6	\$23,606.00
Jennifer Cunningham	Reconciliation Consultant, 6 months	\$110.00	143.1	\$15,741.00
Brad Daniel	Senior Data Consultant, 5 years; former Software Development Project Manager, Swedelson & Gottlieb; 7 years bankruptcy and legal industry experience	\$200.00	2.5	\$500.00
Dustee Decker	Reconciliation Consultant, 8 months; 15 years prior experience in accounts payable and creditor negotiation	\$75.00	242.4	\$18,180.00
Ellen Dors	Reconciliation Consultant, 1 month; prior bankruptcy experience with former employer during two bankruptcy cases	\$110.00	148.7	\$16,357.00
Brenda Eversole	Data Consultant, 2 months; 10 years prior experience data analysis, programming and development	\$125.00	2.5	\$312.50
Sachie Fritz	Support, 4 years	\$65.00	10.6	\$689.00
Diane George	Data Consultant, 3 years; 2 years prior bankruptcy experience	\$140.00	30.8	\$4,312.00
Mike Grimmatt	Data Consultant, 6 months; 12 years prior experience bankruptcy and data programming	\$175.00	160.0	\$28,000.00
Yvette Hassman	Case Support Associate, 1 month; 3 years prior bankruptcy case support experience	\$95.00	0.4	\$36.00
Steven Heathcock	Data Consultant, 2 years; former Consultant, Adept Consulting LLC; 15 years prior experience as Systems Engineer	\$150.00	38.1	\$5,715.00
Sue Herrschaft	Senior Consultant, 6 months; former Operations Manager, Audit Division, Arthur Andersen-LA; 10 years prior experience in risk management and quality assurance	\$210.00	570.0	\$119,700.00
Myrtle John	Senior Bankruptcy Consultant, 2 years; 25 years experience in bankruptcy and other legal practice areas	\$195.00	1.3	\$253.50

Gunther Kruse	Consultant, 4 months; 8 years prior experience in IT industry as database administrator and network manager	\$150.00	1.0	\$150.00
Elaine Lane	Senior Consultant, 4 months; 1 year prior experience as an attorney; 9 years prior experience in the legal field	\$175.00	1.3	\$227.50
John McKiernan	Case Support Clerk, 4 years	\$65.00	5.0	\$325.00
James Myers	Case Support Clerk, 3 years	\$65.00	1.7	\$110.50
Yulia Neporent	Technology Support, 2 months; 7 years prior experience in software programming and data analysis	\$125.00	3.5	\$437.50
Lisa Ruppaner	Case Support Associate, 1 year	\$95.00	17.4	\$1,653.00
Frank Visconti	Data Consultant, 1 year; former programmer/analyst Midwest Consulting Group	\$125.00	0.8	\$100.00
Heather Walker	Case Information Clerk, 1 year	\$65.00	0.2	\$13.00
Anna Wick	Data Consultant, 7 months	\$110.00	37.6	\$4,136.00

<b>Grand Total:</b>	<b>Fees: \$ 354,035.00</b>	<b>Hours: 2,450.3</b>
<b>Blended Rate:</b>	<b>\$144.49</b>	

#### COMPENSATION BY PROJECT CATEGORY

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Asbestos Claims	372.5	\$51,602.00
Case Administration	530.9	\$104,798.00
Data Analysis	156.8	\$24,116.00
Fee Applications-Applicant	97.1	\$19,644.00
Non-Asbestos Claims	1,190.5	\$146,187.50
Travel – Non Working	102.5	\$7,687.50
<b>Total</b>	<b>2,450.3</b>	<b>\$354,035.00</b>

#### EXPENSE SUMMARY

<u>Expense Category</u>	<u>Service Provider (If Applicable)</u>	<u>Total Expenses</u>
b-Linx/Data Storage	BMC	\$2,550.00
Document Storage	BMC	2,085.80
Airline	Various	4,934.50
Breakfast	Various	84.92
Dinner	Various	479.38
Lodging	Various	3,252.20
Pacer	Pacer Service	121.80
Parking	Various	129.00
Phone/ISP	Various	21.06
Postage/Shipping	Various	32.96
Rental Vehicle	Various	1,354.71
Taxi	Various	10.00
<b>Total</b>		<b>\$15,056.39</b>

**PRODUCTION EXPENSE SUMMARY**

<b>Date of Mailing</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
May 16, 2003	BMC	\$423.71
<b>Total</b>		<b>\$423.71</b>

*[Continued on next page]*

**WHEREFORE**, BMC respectfully requests:

- (a) that an allowance be made to it in the aggregate of \$298,708.10, which is comprised of:
  - (i) 80% of the fees rendered by BMC to the Debtors for reasonable and necessary professional services during the Fee Period (80% of \$354,035.00 = \$283,228.00);  
and
  - (ii) 100% of the actual and necessary costs and expenses incurred by BMC during the Fee Period (\$15,480.10);
- (b) that both the fees and expenses are payable as an administrative expense of the Debtors' estates; and
- (c) for such other and further relief as the Court deems just and proper.

Dated: October 1, 2003

BANKRUPTCY MANAGEMENT CORPORATION

By: 

JULIA HASENZAHN,  
Chief Operating Officer  
6096 Upland Terrace South  
Seattle, Washington 98118  
Telephone: (206) 725-5405  
Telecopier: (206) 374-2727

Claims Reconciliation and Solicitation Consultant  
to the Debtors and Debtors in Possession

**VERIFICATION**

STATE OF CALIFORNIA )

COUNTY OF LOS ANGELES )

ss.

JULIA HASENZAHN, after being duly sworn, deposes and says:

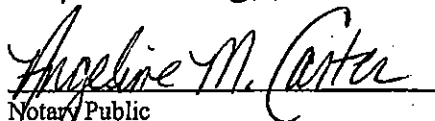
1. I am the Chief Operating Officer of Bankruptcy Management Corporation, the applicant herein ("BMC"), the Claims Reconciliation and Solicitation Consultant to the debtors and debtors in possession herein (the "Debtors"). Except as otherwise noted, I have personal knowledge of the matters set forth herein.

2. I have personally reviewed the consulting services rendered by BMC as Claims Reconciliation and Solicitation Consultant to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by other consultants and employees of BMC.

3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Annexed hereto are the following Exhibits: **Exhibit 1** – Consolidated Fee Invoice for the Ninth Quarter comprised of a detail of time expended and Professional Activity Summary; and **Exhibit 2** – Monthly Expense Invoices for the Ninth Quarter comprised of (i) an Expense Invoice and Detail for each month and (ii) a Production Invoice and Detail. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware and the 'Amended Administrative Order Under 11 U.S.C. §§105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members,' signed April 17, 2002, and submit that the Application herein substantially complies with such Rules and Order.

  
JULIA HASENZAHN

SWORN AND SUBSCRIBED to before me  
this 1st day of October, 2003

  
Notary Public  
My Commission Expires:

